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ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

Fourteenth Annual Report

FOR THE YEAR ENDED 30th APRIL, 1969

AR48

J. M.

**ANGLO-SCANDINAVIAN INVESTMENT
CORPORATION OF CANADA**

INTERIM REPORT

FOR THE 6 MONTHS ENDED OCTOBER 31, 1969

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
and its wholly-owned subsidiary
ANGLO-SCANDINAVIAN SECURITIES LTD.

Statement of Consolidated Earnings for the 6 months
ended October 31, 1969

(with comparative figures for the 6 months ended October 31, 1968)

Subject to year-end audit and adjustment

	<u>1969</u>	<u>1968</u>
Total income	<u>\$341,716</u>	<u>\$389,020</u>
Earnings for the period before income taxes	<u>\$275,521</u>	<u>\$328,737</u>
Income taxes	<u>16,049</u>	<u>7,600</u>
Net earnings for the period	<u>\$259,472</u>	<u>\$321,137</u>
Dividends declared on preferred shares	<u>\$ 68,750</u>	<u>\$ 68,750</u>
Net earnings per common share *	\$0.18	\$0.23
Interim dividend declared on common shares	<u>\$134,944</u>	<u>\$134,944</u>
Per common share	<u>\$0.125</u>	<u>\$0.125</u>
Net gain realized on investment portfolio changes	<u>\$506,242</u>	<u>\$ 63,376</u>

Net Assets - October 31

	<u>1969</u>	<u>1968</u>
Book value	<u>\$19,477,022</u>	<u>\$18,681,708</u>
Market value	<u>\$27,482,300</u>	<u>\$21,613,603</u>
Per common share *	<u>\$23.14</u>	<u>\$17.71</u>

* After giving effect to the interest of holders of the 5½% cumulative redeemable preferred shares.

Results for the first half-year should not necessarily be taken as giving an indication of the results for the full year.

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
and its wholly-owned subsidiary
ANGLO-SCANDINAVIAN SECURITIES LTD.

Statement of Consolidated Source and Application of Funds
for the 6 months ended October 31, 1969

(with comparative figures for the 6 months ended October 31, 1968)

Subject to year-end audit and adjustment

	<u>1969</u>	<u>1968</u>
Funds were provided from:		
Net earnings for the period	\$ 259,472	\$ 321,137
Proceeds of sales of investment securities	<u>1,609,245</u>	<u>3,110,014</u>
Total funds provided	<u>\$1,868,717</u>	<u>\$3,431,151</u>
Funds were applied to:		
Payment of dividends	\$ 203,694	\$ 203,694
Cost of purchases of investment securities	<u>1,394,502</u>	<u>1,634,867</u>
Total funds applied	<u>\$1,598,196</u>	<u>\$1,838,561</u>
Net increase in working capital	\$ 270,521	\$ 1,592,590
Working capital (deficiency) beginning of period	<u>1,418,206</u>	<u>(328,085)</u>
Working capital, end of period	<u>\$1,688,727</u>	<u>\$1,264,505</u>

- *Chairman of the Board*
. *President*
. *Secretary*
. *Treasurer*
. *Assistant Secretary*

..... Toronto

al, Toronto and Vancouver
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ur - London, England

al, Toronto and Vancouver

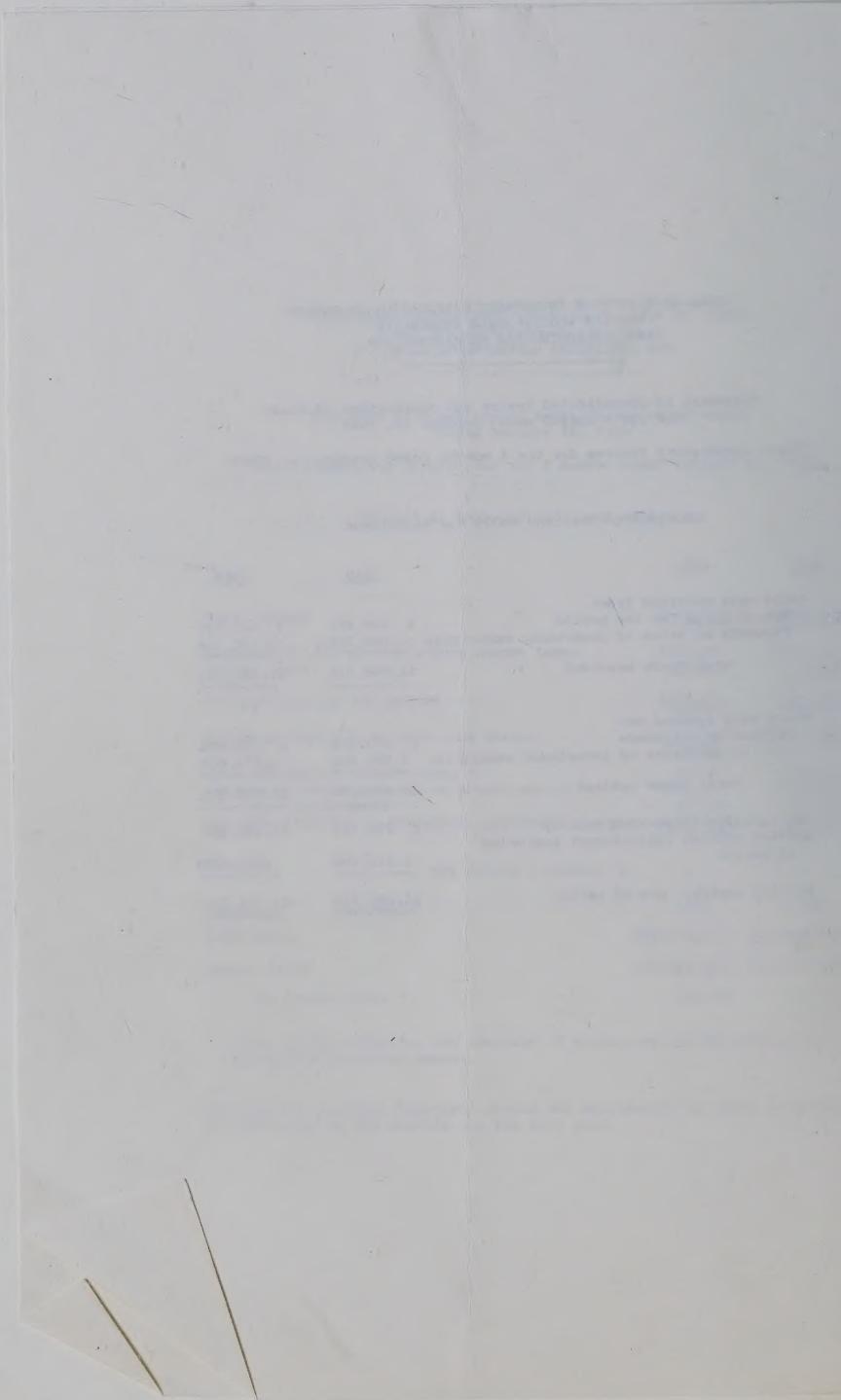
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LER BLVD. WEST, MONTREAL
NTO-DOMINION BANK TOWER,
NTRE, TORONTO 111.



ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

BOARD OF DIRECTORS

FRANK H. BROWN
MICHAEL H. CRICHTON
J. IAN CROOKSTON
NORMAN F. W. H. D'ARCY
HON. GEORGE B. FOSTER, Q.C.

EDWARD D. FRASER
JOCELYN HAMBRO
WILLIAM F. JAMES, PH.D.
GEOFFREY OSMINT
GORDON O. PEAKE

OFFICERS-

WILLIAM F. JAMES	Chairman of the Board
NORMAN F. W. H. D'ARCY	President <input checked="" type="checkbox"/>
WILLIAM A. CAMPBELL	Secretary <input checked="" type="checkbox"/>
J. BRIAN L. THOMAS	Treasurer <input checked="" type="checkbox"/>
BERNICE SIMPSON	Assistant Secretary <input checked="" type="checkbox"/>

MANAGERS-

TRANSFER AGENTS AND REGISTRARS

COMMON SHARES:

NATIONAL TRUST COMPANY, LIMITED Montreal, Toronto and Vancouver
LOCANA CORPORATION (LONDON) LIMITED Transfer Agent — London, England
CANADIAN IMPERIAL BANK OF COMMERCE Registrar — London, England

PREFERRED SHARES:

NATIONAL TRUST COMPANY, LIMITED Montreal, Toronto and Vancouver

BANKERS-

CANADIAN IMPERIAL BANK OF COMMERCE Toronto
HAMBROS BANK LIMITED London, England
TORONTO-DOMINION BANK Toronto

SOLICITORS-

AUDITORS-

CUSTODIAN-

OFFICES OF THE COMPANY—

HEAD OFFICE: SUITE 3301-1155 DORCHESTER BLVD. WEST, MONTREAL
EXECUTIVE OFFICE: SUITE 3705, TORONTO-DOMINION BANK TOWER,
TORONTO DOMINION CENTRE, TORONTO 111.

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

SUMMARY OF RESULTS FOR THE YEAR ENDED APRIL 30, 1969

(with comparative figures for the year ended April 30, 1968)

	1969	1968
Total net assets:		
Book value -	\$18,915,005	\$18,500,889
Market value -	\$27,077,399	\$20,349,925
Per common share -	\$22.77*	\$16.53*
Dividend income -	\$ 664,696	\$ 727,271
Interest income -	\$ 66,896	\$ 30,216
Profit and commissions on security trading -	\$ 10,019	\$ 24,836
Net earnings after taxes -	\$ 582,507	\$ 651,558
Per common share		
Earned -	\$0.412*	\$0.476*
Paid -	\$0.40	\$0.40
Net gain realized on investment portfolio changes -	\$ 400,930	\$ 211,595

*After giving effect to the interest of holders of the 5½% cumulative redeemable preferred shares.

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
 AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

PORTFOLIO ANALYSIS AS AT APRIL 30, 1969

	<u>Number of Holdings</u>	<u>Approximate Market Value</u>	<u>% of Total Portfolio</u>
DEBENTURE STOCK - - - - -	3	\$ 90,300	.3%
PREFERRED SHARES - - - - -	9	<u>1,331,000</u>	<u>4.9</u>
		<u>\$ 1,421,300</u>	<u>5.2%</u>
COMMON SHARES			
1. Consumer Goods and Services			
(a) Breweries and Distilleries - - - - -	2	\$ 948,300	3.5%
(b) Public Utilities - - - - -	2	<u>838,100</u>	<u>3.1</u>
Total - - - - -		<u>\$ 1,786,400</u>	<u>6.6%</u>
2. Financial Institutions			
(a) Banks - - - - -	1	\$ 15,000	.1%
(b) Other - - - - -	5	<u>246,200</u>	<u>.9</u>
Total - - - - -		<u>261,200</u>	<u>1.0</u>
3. Manufacturing Industries			
Construction and Development - - - - -	3	17,200	.1
4. Natural Resources			
(a) Mines and Metals - - - - -	11	\$18,442,900	68.1%
(b) Oil, Gas and Pipelines - - - - -	8	1,642,900	6.1
(c) Pulp and Paper - - - - -	3	<u>1,324,100</u>	<u>4.9</u>
Total - - - - -		<u>21,409,900</u>	<u>79.1</u>
5. Transportation - - - - -	2	776,300	2.8
TOTAL COMMON STOCKS - - - - -		<u>\$24,251,000</u>	<u>89.6%</u>
SHARE PURCHASE WARRANTS - - - - -	1	<u>24,500</u>	<u>.1%</u>
TOTAL INVESTMENTS - - - - -		<u>\$25,696,800</u>	<u>94.9%</u>
WORKING CAPITAL* - - - - -		<u>1,380,599</u>	<u>5.1</u>
TOTAL NET ASSETS - - - - -		<u>\$27,077,399</u>	<u>100.0%</u>

*Including trading securities at market value

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

TO THE SHAREHOLDERS:

I have pleasure in presenting the financial statements of your Company for the year ended April 30th, 1969.

At the year end the market value of the total net assets of your Company amounted to \$27,077,399 compared with their book value of \$18,915,005. Total net assets at April 30th, 1969, after deducting the preferred share capital, were equal to \$22.77 per share.

In contrast to the material increase in asset value, your Company's income during the year amounted to \$741,611 compared with \$782,323 during the previous year. After expenses and income taxes, net income for the year amounted to \$582,507 compared with \$651,558.

3 X A substantial proportion of the portfolio continues to be invested in McIntyre Porcupine Mines Limited and Falconbridge Nickel Mines Limited which together represent 56% of the market value of the net assets at the year end. Both companies have reported material progress during the current year and our continued confidence in the medium and long-term future of these great companies remains unchanged. Your Directors believe that these holdings will prove to be of increasing value to the shareholders.

During the year notices of resignation were received from Sir Leonard Paton, C.B.E., M.C., Mr. Havard J. Williams and Mr. P. Wood. These resignations were accepted with regret. It was accordingly decided to request the authority of shareholders to amend the by-laws and to reduce the number of Directors from 12 to 10. Mr. Gordon Peake, O.B.E., a Director of Harrisons & Crosfield Ltd. was elected to fill the vacancy on the Board.

NORMAN F. W. H. D'ARCY
President

July 16, 1969
Toronto, Ontario

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

AUDITORS' REPORT

To the Shareholders of

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA:

We have examined the consolidated balance sheet of Anglo-Scandinavian Investment Corporation of Canada and its wholly-owned subsidiary, Anglo-Scandinavian Securities Ltd., as at April 30, 1969 and the statements of consolidated earnings, earned surplus and source and application of funds for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us, and as shown by the books of the companies, these consolidated financial statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at April 30, 1969 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
June 12, 1969.

CLARKSON, GORDON & Co.
Chartered Accountants

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

(Incorporated under the laws of Quebec)

AND ITS WHOLLY-OWNED SUBSIDIARY

ANGLO-SCANDINAVIAN SECURITIES LTD.

CONSOLIDATED BALANCE SHEET APRIL 30, 1969

(with comparative figures at April 30, 1968)

<u>1968</u>	ASSETS	<u>1969</u>
	Current:	
\$ 36,311	Cash - - - - -	\$ 14,791
217,063	Short-term notes, at cost (including \$200,000 U.S.) - - - - -	1,217,063
200,590	Trading securities, at average cost (approximate market value \$200,800; 1968 - \$167,000) (schedule A) - - - - -	238,407
13,201	Accrued interest and dividends receivable - - - - -	18,791
<u>467,165</u>	Receivable on delivery of securities sold - - - - -	<u>2,628</u>
	TOTAL CURRENT ASSETS - - - - -	<u>1,491,680</u>
	Investments, at average cost (approximate market value \$25,696,800; 1968 - \$20,711,600) (schedule B):	
75,148	Debenture stock - - - - -	103,782
903,484	Preferred shares - - - - -	1,017,114
<u>17,850,342</u>	Common shares - - - - -	<u>16,375,903</u>
<u>18,828,974</u>	TOTAL INVESTMENTS - - - - -	<u>17,496,799</u>
<u>\$19,296,139</u>		<u>\$18,988,479</u>
	LIABILITIES	
	Current:	
\$ 669,800	Bank loans - - - - -	
15,570	Accounts payable and accrued charges - - - - -	\$ 15,672
65,387	Payable upon receipt of securities purchased - - - - -	36,047
34,375	Dividend payable on preferred shares - - - - -	
<u>10,118</u>	Income taxes payable - - - - -	<u>21,755</u>
<u>795,250</u>	TOTAL CURRENT LIABILITIES - - - - -	<u>73,474</u>
	Shareholders' equity:	
	Capital -	
	Authorized:	
	200,000 redeemable preferred shares of \$25 par value each, issuable in series	
	2,000,000 common shares of \$5 par value each	
	Issued:	
2,500,000	100,000 5½% cumulative preferred shares Series A, redeemable at premium of 5½% - - - - -	2,500,000
5,397,750	1,079,550 common shares - - - - -	5,397,750
3,945,145	Contributed surplus - - - - -	3,945,145
6,657,994	Earned surplus - - - - -	7,072,110
<u>18,500,889</u>	TOTAL SHAREHOLDERS' EQUITY - - - - -	<u>18,915,005</u>
<u>\$19,296,139</u>		<u>\$18,988,479</u>

On behalf of the Board:

NORMAN D'ARCY, *Director*

E. D. FRASER, *Director*

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
 AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

STATEMENTS OF CONSOLIDATED EARNINGS AND EARNED SURPLUS
FOR THE YEAR ENDED APRIL 30, 1969
 (with comparative figures for 1968)

<u>1968</u>	STATEMENT OF CONSOLIDATED EARNINGS	<u>1969</u>
INCOME:		
\$ 727,271	Dividends - - - - -	\$ 664,696
30,216	Interest - - - - -	66,896
24,836	Profit and commissions on security trading - - - - -	10,019
<u>782,323</u>		<u>741,611</u>
EXPENSE:		
12,000	Directors' fees - - - - -	12,000
7,200	Executive remuneration - - - - -	7,200
7,925	Interest - - - - -	7,402
2,319	Legal and audit - - - - -	2,435
78,200	Management fees - - - - -	83,467
6,371	General - - - - -	8,800
<u>114,015</u>		<u>121,304</u>
668,308	Earnings before income taxes - - - - -	620,307
16,750	Income taxes - - - - -	37,800
<u>\$ 651,558</u>	<u>Net earnings for the year</u> - - - - -	<u>\$ 582,507</u>

STATEMENT OF CONSOLIDATED EARNED SURPLUS

\$ 6,364,162	Balance, beginning of year - - - - -	\$ 6,657,994
<i>Add:</i>		
651,558	Net earnings for the year - - - - -	582,507
211,595	Net gain realized on investment portfolio changes during the year	400,930
<u>7,227,315</u>		<u>7,641,431</u>
<i>Deduct dividends declared:</i>		
137,501	Preferred shares (\$1.375 per share) - - - - -	137,501
431,820	Common shares (40 cents per share) - - - - -	431,820
<u>569,321</u>		<u>569,321</u>
<u>\$ 6,657,994</u>	<u>Balance, end of year</u> - - - - -	<u>\$ 7,072,110</u>

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
 AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED APRIL 30, 1969
 (with comparative figures for 1968)

1968	1969
Funds were provided from:	
Decrease (increase) in investment portfolio —	
Sales, at average cost:	
\$ 10,604	Debenture stock - - - - -
380,608	Preferred shares - - - - -
2,300,758	Common shares - - - - -
<u>2,691,970</u>	<u>17,478</u>
	5,114,432
	<u>5,131,910</u>
Deduct purchases:	
27,614	Debenture stock - - - - -
614,462	Preferred shares - - - - -
3,228,756	Common shares - - - - -
<u>3,870,832</u>	<u>28,634</u>
	131,108
	3,639,993
	<u>3,799,735</u>
(1,178,862)	Net decrease (increase) in investment portfolio - - -
	1,332,175
651,558	Net earnings for the year - - - - -
	582,507
211,595	Net gain realized on investment portfolio changes during the year - - - - -
	400,930
(315,709)	Total funds provided - - - - -
	2,315,612
569,321	Funds were applied to payment of dividends - - - - -
	<u>569,321</u>
(885,030)	Excess of funds provided over funds applied (funds applied over funds provided) resulting in an increase (decrease) in working capital of - - - - -
	1,746,291
556,945	Working capital (deficiency), beginning of year - - - - -
	<u>(328,085)</u>
\$ (328,085)	Working capital (deficiency), end of year - - - - -
	<u>\$ 1,418,206</u>

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

SCHEDULE A

SCHEDULE OF TRADING SECURITIES

(HELD BY ANGLO-SCANDINAVIAN SECURITIES LTD.)

APRIL 30, 1969

<u>Number of Shares</u>		<u>Approximate Market Value</u>
COMMON SHARES		
400	Campeau Corporation Ltd.	\$ 3,700
3,800	Conwest Exploration Company Limited	36,300
15,000	Central Patricia Gold Mines Ltd.	35,400
500	Locana Corporation Ltd.	3,900
2,000	Opemiska Copper Mines (Quebec) Ltd.	19,600
1,000	Patino Mining Corporation Ltd.	33,500
3,500	R. H. Medical Services	42,400
600	United Air Lines, Inc.	26,000
	Total trading securities	\$ 200,800

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA
 AND ITS WHOLLY-OWNED SUBSIDIARY
ANGLO-SCANDINAVIAN SECURITIES LTD.

SCHEDULE B

SCHEDULE OF INVESTMENTS

(HELD BY ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA)

APRIL 30, 1969

<i>Par value</i>	<i>Approximate Market Value</i>
DEBENTURE STOCK	
\$36,000	The White Pass and Yukon Corporation Limited –
61,700	4½% first debenture stock due 1969-76 - - - - -
34,100	5% debenture stock due 1969-76 - - - - -
	5½% unsecured loan stock due 1969-78 - - - - -
	Total debenture stock - - - - -
	<u>90,300</u>
PREFERRED SHARES	
2,500	Convertible
2,500	Canadian Pacific Investments Limited—4¾% Series A shares, \$20 par value
	Hudson's Bay Oil and Gas Company Limited — 5% Series A shares,
	\$50 par value - - - - -
3,000	International Utilities Corporation—\$1.32 U.S. dividend shares, no par value
19,000	John Labatt Limited — \$1.00 dividend Series A shares, \$18 par value - - -
3,000	Shell Investments Limited — 5½% first preference shares, \$20 par value - - -
	Total convertible preferred shares - - - - -
	<u>934,700</u>
720	Other
25,400	Betrust Investment Corporation Limited — 5¾% Series A shares,
308	\$50 par value - - - - -
4,000	Canadian Pacific Railway Company — 4% stock units of \$15 each - - -
	Candiac Development Corporation — 5% shares, \$100 par value - - -
	The White Pass and Yukon Corporation Limited — 6¾% Series A
	shares, \$25 par value - - - - -
	Total other preferred shares - - - - -
	<u>396,300</u>
	Total preferred shares - - - - -
	<u>1,331,000</u>
COMMON SHARES	
10,925	Consumer goods and services
16,000	Bell Canada Limited - - - - -
15,000	Distillers Corporation — Seagrams Limited - - - - -
5,030	MacLaren Power & Paper Company, Class A - - - - -
	Molson Industries Ltd., Class "A" - - - - -
	Total consumer goods and services - - - - -
	<u>1,786,400</u>
1,000	Financial institutions
6,000	Bank of Montreal - - - - -
6,000	Betrust Investment Corporation Ltd. - - - - -
10	Canadian General Securities Limited — Class "A" - - - - -
200	Hardwicke Investment Corporation Ltd. - - - - -
50	Noctin Investment Corporation Ltd. - - - - -
	Wentworth Investment Corporation Ltd. - - - - -
	Total financial institutions - - - - -
	<u>261,200</u>
Forward —	

ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA

AND ITS WHOLLY-OWNED SUBSIDIARY

ANGLO-SCANDINAVIAN SECURITIES LTD.

SCHEDULE B

SCHEDULE OF INVESTMENTS

(HELD BY ANGLO-SCANDINAVIAN INVESTMENT CORPORATION OF CANADA)

APRIL 30, 1969

Forward —

<u>Number of Shares</u>		<u>Approximate Market Value</u>
	Manufacturing industries	
546	Candiac Development Corporation - - - - -	\$ 4,100*
546	Candiac Nurseries Ltd. - - - - -	600*
2,000	Redhill Investment Corporation Ltd. - - - - -	12,500
	Total manufacturing industries - - - - -	<u>17,200</u>
	Natural resources	
9,100	Cassiar Asbestos Corporation Limited - - - - -	179,700
17,000	Cominco Ltd. - - - - -	590,800
10,000	Conwest Exploration Company Limited - - - - -	95,500
22,400	Falconbridge Nickel Mines Limited - - - - -	2,828,000
1,000	Getty Oil Company - - - - -	79,000
12,000	Gulf Oil Canada Limited - - - - -	279,000
5,000	Home Oil Company Limited Class "A" - - - - -	276,300
28,400	Imperial Oil Limited - - - - -	511,200
3,000	Kaiser Steel Corp. - - - - -	180,700
3,000	Kerr-Addison Gold Mines Limited - - - - -	47,600
10,000	MacMillan, Bloedel Limited - - - - -	387,500
95,514	McIntyre Porcupine Mines Limited - - - - -	12,416,800
15,000	Noranda Mines Limited - - - - -	521,200
25,000	Opemiska Copper Mines (Quebec) Ltd. - - - - -	245,000
4,000	Panhandle Eastern Pipe Line - - - - -	145,200
5,000	Pembina Pipe Line Ltd. - - - - -	93,700
9,300	Pine Point Mines Limited - - - - -	381,300
25,000	Placer Development Ltd. - - - - -	956,300
35,217	Powell River — Alberni Sales Limited - - - - -	614,100*
20,000	The Price Company Ltd. - - - - -	322,500
1,125	Royal Dutch Petroleum Company - - - - -	64,900
6,000	Texas Eastern Transmission Corporation - - - - -	193,600
	Total natural resources - - - - -	<u>21,409,900</u>
	Transportation	
2,000	Transcon Lines - - - - -	84,400
27,000	The White Pass and Yukon Corporation Limited - - - - -	<u>691,900</u>
	Total transportation - - - - -	<u>776,300</u>
	Total common shares - - - - -	<u>24,251,000</u>
	SHARE PURCHASE WARRANTS	
2,500	Canadian Pacific Investments Limited - - - - -	24,500
	Total warrants - - - - -	<u>24,500</u>
	TOTAL INVESTMENTS - - - - -	<u>\$25,696,800</u>

*Unquoted securities — shown at cost.

